

U.S. DEPARTMENT OF ENERGY  
**Office of Electricity Delivery and  
Energy Reliability**



# ENERGY ASSURANCE DAILY

December 20, 2005

## Highlights/Major Developments

### **Energy Dept. Orders Mirant to Restart 482-MW Virginia Plant**

The U.S. Department of Energy ordered Mirant Corp. to reopen a 482-MW power plant in Virginia on a limited basis amid concerns of a blackout that could cut power to the Justice Department, the State Department and all of Georgetown. Mirant, a U.S. power producer that declared bankruptcy in July 2003, shut down the Potomac River Plant in Alexandria Aug. 24 after the Virginia Department of Environmental Quality ordered the company to take steps to cut harmful emissions. "After weighing all of the information, I believe an emergency situation exists," Energy Secretary Samuel Bodman said in a statement. "We will continue to monitor the electricity infrastructure of the D.C. area and make changes to the order if and when they are necessary."

Bloomberg, December 20, 2005

DOE Press Release:

[http://www.doe.gov/engine/content.do?PUBLIC\\_ID=19407&BT\\_CODE=PR\\_PRESSRELEASES&TT\\_CODE=PRESSRELEASE](http://www.doe.gov/engine/content.do?PUBLIC_ID=19407&BT_CODE=PR_PRESSRELEASES&TT_CODE=PRESSRELEASE)

### **Update: 62,000 Remain Without Power in South Carolina**

Duke Power Co. says 62,600 customers remain without power Tuesday afternoon from the devastating ice storm that hit the area on December 15. Duke anticipates that work crews will complete restoration by sometime on Thursday.

<http://www.dukepower.com/news/jic/2005/dec/2005122003.asp>

## Electricity

### **Heavy Storm Knocks Out 44,000 PG&E Customers in San Francisco Bay Area**

More than 44,000 Pacific Gas and Electric customers in the San Francisco Bay Area lost power Sunday because of lightning damage to transmission equipment. Farther north, freezing rain caused scattered power outages. Almost all power has now been restored.

[http://www.contracostatimes.com/mld/cttimes/news/local/states/california/counties/west\\_county/13444224.htm](http://www.contracostatimes.com/mld/cttimes/news/local/states/california/counties/west_county/13444224.htm)

### **1,500 MW Coal-fired Plant in NM Gets Further Approval from Navajo Group**

The Navajo Nation Tax Commission approved an agreement for a proposed \$2.2 billion, 1,500-megawatt coal-burning power plant to be built in San Juan County, New Mexico. If all agreements needed for the plant are approved by the tribe and all the air quality permits are obtained, construction could begin as early as next fall and the plant could be in operation by 2010.

<http://www.kobtv.com/index.cfm?viewer=storyviewer&id=23341&cat=BUSINESS>

### **Progress Energy Delays Site Choice for New Florida Nuclear Plant**

Progress Energy Florida now says it will take a little longer than expected to choose a site for a new nuclear power plant in Florida. The St. Petersburg utility had planned to choose a location by the end of the year, but it may not select a site until some time in March. Progress has yet to start compiling a list of potential sites and is still reviewing general areas of the state to consider.

[http://www.sptimes.com/2005/12/19/Business/Progress\\_delays\\_nucle.shtml](http://www.sptimes.com/2005/12/19/Business/Progress_delays_nucle.shtml)

### **Foster Wheeler to Build New 200 MW Coal-fired Generator in Illinois**

Foster Wheeler Ltd. announced today that a U.S. subsidiary has been awarded a contract to design and supply a new 200 megawatt (MW) pulverized-coal-fired steam generator for a new power plant to be built at City Water, Light & Power's Dallman Generating Station in Springfield, Illinois, USA.

[http://home.businesswire.com/portal/site/google/index.jsp?ndmViewId=news\\_view&newsId=20051219005123&newsLang=en](http://home.businesswire.com/portal/site/google/index.jsp?ndmViewId=news_view&newsId=20051219005123&newsLang=en)

### **High Energy Costs Create Wave of Mini-Hydro Projects**

Propelled by high energy costs, federal incentives, and an eased licensing process, at least 104 projects in 29 states - with 2,400 megawatts of new capacity - have been granted "preliminary permits" by the Federal Energy Regulatory Commission (FERC), which regulates hydropower development. Many other projects in the works have not yet been officially reported by FERC, observers say.

<http://www.csmonitor.com/2005/1219/p03s02-sten.html>

### **Update: Consol Ends Force Majeure in Virginia**

Consol Energy announced that repairs to a skip hoist at its Buchanan mine in Virginia had been completed enabling the company to end the force Majeure declared in late August.

Reuters 11:10, December 20, 2005.

### **Update: Unit 2 at Southern's Vogtle Nuclear Plant Returns to Full Power**

Southern Company's 1,149 MW unit 2 at the Vogtle nuclear generating station in Georgia returned to full power by early December 19 according to a report of the Nuclear Regulatory Commission.

Reuters 7:30, December 20, 2005.

### **Update: Unit 1 at Duke's McGuire Nuclear Plant Returns to Full Power**

Duke's 1,100 MW unit 1 at the McGuire nuclear generating station in North Carolina returned to full power by early December 19 according to a report of the Nuclear Regulatory Commission.

Reuters 7:15, December 20, 2005.

### **Constellation's 830 MW Gas-fired High Desert Facility Shut December 19**

Constellation Energy's 830 MW gas-fired plant in California was reported shut on December 19 according to the California Independent System Operator.

Reuters 20:14, December 19, 2005.

## **Petroleum**

### **Attack in Nigeria: Pipeline Explosion Forces Shell to Shut In 170,000 b/d**

An explosion following an attack on a pipeline carrying 170,000 b/d of Bonnie Light crude has forced Shell to shut in production at two of its fields in Nigeria. Bonnie Light is a significant import crude for U.S. Gulf Coast refineries.

Reuters 10:42, December 20, 2005.

### **Update: Iraqi Crude Exports from Basra Backlog Building**

While pipeline exports to the north remain shutdown because of repeated sabotage, a backlog of exports through the port of Basra is building. A shipping source reports that increased congestion at the port has kept oil tankers waiting up to 15 days to load.

Reuters 4:37, December 20, 2005.

### **Update: Enbridge May Boost size of Canadian Oil Sands Pipeline**

Enbridge Inc. said on Monday it may boost the capacity of its C\$4 billion (\$3.4 billion) oil sands pipeline to Canada's West Coast after shipper interest exceeded expectations. Enbridge's proposed Gateway pipeline to Kitimat, British Columbia, from Edmonton, Alberta -- aimed at giving Asian and California refiners access to growing supplies of oil sands-derived crude -- has been designed to ship 400,000 barrels a day. Based on the level of subscriptions, Enbridge will look at increasing the planned pipeline diameter from 30 inches to 36 inches (76 cm to 91 cm).

Reuters, 17:29 December 20, 2005

## **Natural Gas**

### **Update: Kinder Morgan, Sempra Get Gas Commitments for Rocky Mtn. Pipeline**

Kinder Morgan Energy Partners LP and Sempra Energy, which plan to build a pipeline in the U.S. Rocky Mountain region, said prospective customers committed to shipping about 1.3 billion cubic feet of natural gas a day. The 1,323-mile pipeline will have a capacity of 2 billion cubic feet of gas per day and is planned to begin operating in 2008. Output in the Rockies, a region forecast by the U.S. Energy Department to surpass the Gulf of Mexico as the largest domestic gas source, is constrained because there aren't enough pipelines to carry fuel to consuming regions in the Midwest and Northeast. The \$3 billion pipeline planned by Kinder Morgan and Sempra, called Rockies Express, would move gas to Ohio from the Cheyenne hub in Colorado. Bloomberg, December 20, 2005

### **US Legislating Into Deeper Natural Gas Crisis, Experts Say**

The U.S. is legislating its way into a deepening natural gas crisis, industry experts told a DOE-hosted, fact-finding conference requested by Congress. Gas demand for power generation has been driven higher by environmental laws that discourage coal-fired power plants, the experts said. At the same time, state and local objections to energy infrastructure projects are limiting the ability to import liquefied natural gas.

[http://pro.energycentral.com/professional/news/gas/news\\_article.cfm?id=6174267](http://pro.energycentral.com/professional/news/gas/news_article.cfm?id=6174267)

## **Hurricane Recovery Updates**

December 15 was the last scheduled hurricane emergency situation report for 2005. Updates on the status of energy infrastructure restoration efforts related to hurricane damage will be posted in the Energy Assurance Daily in this section of the report. For past Gulf Coast Hurricanes situation reports, see the website of the Office of Electricity Delivery and Energy Reliability (OE) of the U.S. Department of Energy at:

<http://www.oe.netl.doe.gov>.

### **Gulf Coast Shut-in Production Per Day**

Ivan vs. Katrina/ Rita vs. Most Recent

	<b>Ivan</b>	<b>Katrina/Rita</b>	<b>Most Recent</b>
<b>Gas</b> (BCF/day)	<b>6.515</b> 65.15% (High- 9/16/04)	<b>9.418</b> 94.18% (High- 8/30/05)	<b>2.014</b> 20.14% (12/19/05)
<b>Oil</b> (bbls/day)	<b>1,410,002</b> 94.00% (High- 9/16/04)	<b>1,564,679</b> 100.00% (High-9/26/05)	<b>414,495</b> 27.63% (12/19/05)

Normal Production in the Gulf Coast is 10 BCF/day of gas and 1,500,000 bbls/day of oil.

Source: U.S. MMS, December 19, 2005.

## Gulf Coast Shut-in Production Cumulative

Katrina/ Rita vs. Ivan

	<b>Ivan</b>	<b>Katrina/ Rita</b>
<b>Cumulative</b>	<b>9/13/04 - 02/14/05</b>	<b>8/26/05 – 12/19/05</b>
<b>Gas (BCF)</b>	<b>172.259</b>	<b>541.092</b>
<b>Oil (bbls)</b>	<b>43,841,245</b>	<b>104,648,778</b>

Source: U.S. MMS, December 19, 2005.

### Louisiana In-State Daily Production and Pipeline Update

According to the Louisiana Department of Natural Resources on 12/20, onshore crude oil production in southern Louisiana has reached 120,837 barrels per day, or 59.5 percent of the region's capacity; natural gas production of 1,598 million cubic feet per day, or 71.5 percent of daily capacity in 38 southern Louisiana parishes, has been restored. There are 55 on-shore pipeline operators in the hurricane-affected parishes. As of 12/20, 8 operator's facilities were reopened, 30 of the operator's facilities are shut-in, and 17 of the operators experience partial system shut-ins or flow.

<http://dnr.louisiana.gov/>

## Other News

Nothing to Report.

## Energy Prices

	<b>Latest (12/20/05)</b>	<b>Week Ago</b>	<b>Year Ago</b>
<b>CRUDE OIL</b> <b>West Texas Intermediate US</b> \$/Barrel	57.81	61.36	45.76
<b>NATURAL GAS</b> <b>Henry Hub</b> \$/Million Btu	13.79	15.39	6.83

Source: Reuters

### **This Week in Petroleum** from the Energy Information Administration (EIA)

<http://tonto.eia.doe.gov/oog/info/twip/twip.asp>

*Updated on Wednesdays*

### **Weekly Petroleum Status Report** from EIA

[http://www.eia.doe.gov/oil\\_gas/petroleum/data\\_publications/weekly\\_petroleum\\_status\\_report/wpsr.html](http://www.eia.doe.gov/oil_gas/petroleum/data_publications/weekly_petroleum_status_report/wpsr.html)

*Updated after 1:00 pm on Wednesdays*

### **Natural Gas Weekly Update** from EIA

<http://tonto.eia.doe.gov/oog/info/ngw/ngupdate.asp>

*Updated after 2:00 pm on Thursdays*

### **Infrastructure Security and Energy Restoration Website** from ISER/OE/DOE

<http://www.oe.netl.doe.gov>

*Updated after 5:00 pm (Mon. thru Fri.) with latest Energy Assurance Daily; previous Energy Assurance Daily and emergency situation reports are also posted on the website.*

